

Written Testimony of Paul Giguere
President and CEO of the Connecticut Public Affairs Network, Inc.
before the Energy and Technology Committee
in opposition to Raised Bill 5814
March 7, 2008

CPAN opposes HB 5814 Section 8 paragraph (a) empowers the competitive video service provider to make “changes in the form of transmission necessary to make it compatible with the technology or protocol used by a competitive video service provider to deliver services,” and compels the programmer to allow those changes. In CT-N’s case, this means that any service provider, AT&T, Comcast, Cox or another other provider in the future can take CT-N’s broadcast quality signal and degrade it to whatever level is necessary to make it compatible with whatever technology they choose to use. Unlike legislation in several other states, this bill fails to articulate any measurable quality or technical standards to ensure that the competitive video service provider will maintain an objective minimum level of quality when making such changes. If allowed to become law, this language would leave the Connecticut General Assembly, and the Connecticut Public Affairs Network as its management contractor without remedy or recourse if the video service provider significantly degrades the quality of CT-N’s transmission.

The video link included in this testimony www.compare.ct-n.com taken from a testing location in Michigan shows a side-by side comparison of the local community access channel viewing experience of cable customers vs Uverse customers. This clearly demonstrates the inferiority of the viewing experience destined for CT-N. CPAN continues to make good-faith efforts to discharge its contractual requirements with this legislature by attempting to ensure minimum quality standards for CT-N regardless of how viewers get their TV service. Rather than insisting on such quality standards itself – which we feel would be an appropriate regulatory function – this legislation would further silence our own efforts to safeguard the quality of CT-N’s programming. We can rest assured that AT&T U-Verse is only the test case, and that other video service providers present and future may use this precedent to subject this legislature’s TV network to even further erosions of quality.

CPAN recognizes and applauds the Energy and Technology Committee’s efforts to encourage a free and competitive market for video services in Connecticut. But the Committee must surely realize that what currently exists is at best an **oligopoly**, and that both consumers and programmers will continue to be in need of protection. We do not rely exclusively on consumer choice in a competitive marketplace to ensure that the food on grocery store shelves is fresh, that our cars’ airbags will deploy in an accident or that our telephones will dial 911 if the power goes out. This legislature cannot and should not rely on that free market system to ensure that its own television network and arguably one of the most important public services that any video service vendor in Connecticut can provide is delivered at acceptable quality. In the past this committee has been instrumental in creating a statewide standard for the delivery of the Connecticut Network to the people of this state. CPAN urges this committee now to avoid an inadvertent step backwards on that standard by withholding its joint favorable report on raised bill 5814.

Delivering CT-N at an inferior standard negatively impacts CT-N’s viewers

An adequate and effective CT-N viewing experience depends on the viewer’s ability to find the channel easily, see both video and informational graphics clearly, and in some cases access closed captions for the hearing impaired. An inferior video standard like the one AT&T’s has configured its PEG solution to observe would fail each of these parameters.

Market research has indicated that current and potential CT-N viewers are on average 37% more likely to tune to CT-N as a result of flipping past it than because of advertising, media coverage, word-of-mouth or

any other tool of public awareness. Unlike linear channels on AT&T's U-Verse system, PEG Solution channels cannot be accessed by "surfing." Viewers wishing to view CT-N would have to manually enter in its 3-digit channel number and wait between 30 and 90 seconds for the media player in U-Verse's set-top box to launch and the channel to load. Moreover, the PEG platform currently would not allow CT-N to appear in U-Verse's on-screen channel guide in the same way as other channels or allow CT-N to furnish information on upcoming programs as the network is currently able to do on cable. These factors will ultimately **discourage** rather than encourage CT-N viewership on U-Verse.

The screen resolution at which AT&T has proposed to deliver CT-N is 320 pixels by 240 pixels, which is roughly the size of a Palm Pilot, Blackberry or video iPod screen. Such an image would immediately degrade when blown up to fill a standard or high-definition TV screen, rendering CT-N's on screen graphics in many cases unreadable. *It is important to point out that same internet protocol used by the PEG Solution can carry higher-resolution video transmissions, including broadcast-quality standard or high-definition. This is a discussion of quality, not technology.*

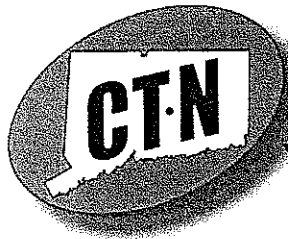
Even though true closed captions are available on any newer version of Windows Media Player and CT-N can offer them on most of its own website video, they are not available on U-Verse's PEG Solution. AT&T has offered to compensate for this deficiency by offering us an additional open-captioned stream, but since open captions are part of the video signal and not decoded by the TV like closed captions, they will be even harder to read at the reduced screen resolution than CT-N's static onscreen graphics because the captions are constantly in motion. It is also important to consider that it will be the senior citizen population who will have the most need of periodically turning captions on and off who will be least likely to have the technological skills to easily switch back and forth between streams; it's not just pushing a button on your remote.

The high standards of the State's television network must be protected CPAN would support and recommend the addition of language that objectively articulates the standards at which CT-N is to be viewed. This can be done in a manner that is not technology-specific and allows the General Assembly to retain its quality control authority over its network without unduly burdening the video service provider. CPAN would also be happy to work with the Committee to help draft such standards.

Sample language:

Sec. 8 (c)

Not later than one hundred twenty days after the certified competitive video service provider begins offering service in a designated area pursuant to its certificate of video franchise authority, such provider shall provide transmission of the Connecticut Television Network to all its subscribers[, including real-time transmission as technically feasible, under the same conditions as set forth in subdivisions (3) and (4) of subsection (a) of this section.] on its basic service package at a level of technical quality no less than is being provided to the certified competitive video service provider by the Connecticut Television Network and at viewer functionality no less than that of commercial broadcast channels on the certified competitive video service provider's basic service package.



Connecticut Network

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February 11, 2008

D'Ann Mazzocca
Executive Director
Office of Legislative Management
Room 5100
Legislative Office Building
Hartford, CT 06106

Dear D'Ann:

I write today to update you on the progress of CT-N's carriage discussions with AT&T for their U-Verse video service. As I have reported to you in the past, AT&T approached us late in 2006 about carrying CT-N on U-Verse, and with the passage of Public Act 07-253 last year, they are now required to do so by law. However, the manner and quality with which they have insisted upon delivering us to their customers deviates significantly from the statewide standard that the General Assembly established for CT-N through its 2005 agreement with the cable television industry. Now that session is underway, I thought it appropriate to brief you on the details should you receive any inquiries from legislators.

We had been under the impression that these technical issues had been resolved through our discussions with AT&T over the past several months, such that installation of the necessary equipment to deliver our signal to U-Verse had begun. In reviewing the technical specifications of AT&T's equipment, we realized CT-N is still poised to be delivered to U-Verse subscribers at a substandard quality level and that AT&T had not addressed this issue. Although we will continue to work with AT&T toward a resolution that does not compromise the broadcast quality standard of CT-N, I have directed my staff to halt any further equipment installation until an agreement is in place.

U-Verse currently employs two separate, non-comparable technologies to deliver programming to its customers. AT&T requires CT-N and community access channels to be carried on their "PEG Solution," which is essentially the same technology as an internet webstream. All other programming – including the local broadcast affiliates and C-SPAN – will be delivered using what they refer to as their "Linear Programmer Solution." Some key differences:

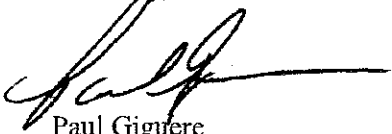
- Local broadcast affiliates, C-SPAN and all other programmers will be seen by UVerse customers at broadcast quality or even high definition, while CT-N will be viewed at a resolution and quality considered optimal for the screen size of a video iPod. The result will likely be poorer quality, unreadable on-screen graphics and an overall inferior viewing experience on any screen larger than that of an iPod.
- U-Verse customers will be able to surf through all other channels including the local broadcast affiliates, C-SPAN and all other programmers with a negligible delay between channels. To see CT-N, viewers must manually enter the channel number on their remote controls and wait, according to AT&T's own estimates, approximately 30 seconds for a "media player" in U-Verse's set-top box to launch and the channel to come up; information we have received from other parts of the country indicate that the delay could even be as high as 90 seconds.

- The "PEG Solution" removes CT-N's closed captions from the video signal. Deaf or hard-of-hearing viewers of local broadcast affiliates, C-SPAN and all other programmers can access standard closed captions as usual, but the same is not true for CT-N. AT&T has made an effort to rectify this by requiring us to provide one stream without captions and one with open captions, but that still requires a user to change between channels (with the delays described above) to turn the captions "on" or "off". This translates into an inferior standard of access than the deaf community has come to expect both from CT-N and video service providers in general.
- U-Verse customers will be able to view upcoming programming on their on-screen program guide and record programs with the digital video recorder right in U-Verse's set-top box for the local broadcast affiliates, C-SPAN and all other programmers, but **not** for CT-N.

In our estimation, these differences erode the quality of the CT-N viewing experience on U-Verse in a manner that would be unacceptable to CPAN and we believe to the membership of the General Assembly and the citizens of Connecticut. We do not believe that the legislative intent behind P.A. 07-253 included allowing video service providers to deliver CT-N at a lesser quality than the rest of their programming lineup, or permitting the degradation of CT-N's signal below the minimum standards of broadcast quality. We anticipate inquiring with members of leadership and the co-chairs of Energy & Technology about the possibility of clarifying legislative intent on this point with additional legislation during the current session.

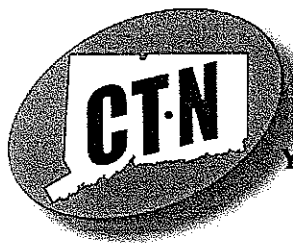
If you have any questions or would like clarification on any of these issues, please don't hesitate to contact me. Thanks, as always, for your time and attention.

Sincerely,



Paul Giguere
President & CEO

Cc: Rep. James Amann
Sen. Donald Williams
Rep. Larry Cafero
Sen. John McKinney
Patrick Sheehan, Board Chairman
Rep. Chris Donovan
Sen. Martin Looney
Rep. Steve Fontana
Sen. John Fonfara
Rep. Sean Williams
Sen. Thomas Herlihy



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February 12, 2008

John Emra
Regional Vice President
External & Legislative Affairs
AT&T Connecticut
310 Orange St.
9th Floor
New Haven, CT 06510

Dear John:

I have received your letter dated February 8, 2008 and am myself exceedingly surprised and disappointed by your response to our proposed modifications to the draft written agreement between CPAN/CT-N and AT&T. Our gentlemen's agreement was predicated upon your assurances that the video quality of CT-N would be the same as C-SPAN and the CT-N viewer experience would be the same on U-Verse as it is on cable. It has become apparent that neither is the case. Our proposed modifications to the agreement simply spell out what our expectations were all along, and we have proposed nothing to date that conflicts with those expectations.

While I have appreciated your efforts to reassure my Board of Directors and me of AT&T's confidence in the PEG solution, it is irrefutable that its technical specifications fall short of every objective, generally-accepted metric that benchmarks "broadcast quality." At a time when more and more television viewers are moving toward wide screen, high definition television, AT&T has opted to move CT-N in the direction of lower quality and smaller screen size instead. I recognize that CT-N is not a commercial broadcaster, but neither is C-SPAN, which AT&T does offer on U-Verse at broadcast quality.

I am sure that AT&T's internal business decision to use two separate and dissimilar methods of transport – one that conforms to generally-accepted broadcast standards and one that does not – was not made lightly. However, absent any tangible proof that AT&T intends to honor its commitments to CPAN regarding video quality and viewer experience, I cannot knowingly allow this valuable public service to be relegated to inferior or substandard distribution. As I have stated numerous times over the last several months, we are prepared to deliver the CT-N signal to your head-end at the same broadcast quality level as we do for every cable head-end in the state. I look forward to our continued discussions on the matter. Thank you, as always for your time and consideration.

Sincerely,

Paul Giguere
President & CEO

Cc: Legislative leaders, Co-chairs & ranking members, Energy & Technology Committee
Patrick Sheehan, Lee Hoffman